STATE OF NORTH CAROLINA

IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION
2013 APR 24 M 11: 54

COUNTY OF WAKE

WAKE COUNTY, C.S.C. FILE NO: 13-CVS-005840

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STATE OF NORTH CAROLINA, ex rel. ROY COOPER, Attorney General,	) ) )
Plaintiff,	) ) ) <u>TEMPORARY RESTRAINING</u>
<b>v.</b>	ORDER
ADVANTAGE DEBT SOLUTIONS, INC., and ANTHONY KRYSINSKI,	) )
Defendants.	) ) )

THIS CAUSE came on to be heard before the undersigned judge on the Plaintiff State of North Carolina's Motion for a Temporary Restraining Order. The State filed its verified Complaint on 19 April 2013. Counsel for the State advised the Court that, to the best knowledge of the State, the defendants are not represented by counsel in this matter. Counsel for the State advised the Court that the State served the defendants with notice of this hearing on 22 April 2013.

The Court, having reviewed the Complaint, the State's Motion for a Temporary

Restraining Order and Preliminary Injunction and attached affidavits, finds for purposes of this

Order:

1. There is good cause to believe that the defendants are advertising, offering and engaging in illegal debt adjusting, in violation of North Carolina's Debt Adjusting law, N.C.

Gen. Stat. § 14-423, et seq.

- 2. There is good cause to believe that the defendants have collected, and are continuing to collect, money from consumers for the defendants' purported performance of debt adjusting services, and that such moneys are being collected in violation of N.C. Gen. Stat. § 14-423(2).
- 3. There is good cause to believe that the defendants are engaging in telephonic solicitation sales in violation of the North Carolina Telephonic Registration Act, N.C. Gen. Stat. § 66-260, et seq., by failing to register with the North Carolina Secretary of State as a telephonic seller; by failing to provide the North Carolina Secretary of State with the information mandated by N.C. Gen. Stat. § 66-262; by failing to pay the filing fee of \$100.00; and by failing to register in each year the defendants have engaged in telephonic solicitations.
- 4. There is good cause to believe that the defendants are continuing to violate the laws of North Carolina and are causing economic injury to consumers, and that the State has established its right to temporary relief pursuant to N.C. Gen. Stat. §§ 14-425 and 75-14.

IT IS THEREFORE ORDERED that the defendants, their officers, agents, employees, and all persons in active concert or participation with them, are hereby temporarily restrained from:

- (1) Advertising, soliciting, or offering any debt settlement, debt negotiation, or debt adjusting services to consumers;
- (2) Entering into contracts with consumers for the performance of debt settlement, debt negotiation, or debt adjusting services;
- (3) Collecting any further fees directly or indirectly, from consumers related to the

- performance of debt settlement, debt negotiation, debt management, or debt adjusting services, in violation of N.C. Gen. Stat. § 14-423, et seq.;
- (4) Transferring, concealing, spending, or disposing of any money or funds received, directly or indirectly, from consumers in connection with the defendants' debt settlement program, except to pay money to consumers' creditors or to return funds to consumers;
- (5) Transferring, converting, encumbering, disbursing, assigning, spending, withdrawing or otherwise disposing of any funds held in any bank accounts controlled by, or in the name of, Advantage Debt Solutions, Inc., including but not limited to funds held by Advantage Debt Solutions, Inc. at Wells Fargo Bank, N.A., in Account No. 2000053738013, pending further order of the Court;
- (6) Destroying, removing, transferring, erasing, or otherwise disposing of any business or financial records relating to the defendants' debt settlement or debt negotiation services, including but not limited to any business or financial records relating to moneys obtained from consumers in connection with the defendants' debt settlement business; and
- (7) Engaging, directly or indirectly, in any telephonic solicitations of consumers in the conduct of defendants' debt settlement or debt negotiation business until such time as the defendants are in full compliance with the requirements of the Telephonic Seller Registration Act, N.C. Gen. Stat. § 66-260, et. seq.

IT IS FURTHER ORDERED that the defendants shall produce the following records no later than three (3) days prior to the preliminary injunction hearing or within ten (10) days of

entry of a temporary restraining order, whichever is sooner:

- The name and address of every bank at which any of the defendants maintain (A) deposit, checking or other bank accounts, and the account number for each such account;
- A statement of the current monetary balance in each such account held by any of (B) the defendants, together with a copy of the most recent bank statement for each such account; and
- A current financial statement, showing the current assets and liabilities for the (C) defendant Advantage Debt Solutions, Inc.

IT IS FURTHER ORDERED that this matter be heard on the State's Motion for a Preliminary Injunction on the 6th day of May, 2013, at 10 am, or as soon thereafter as the matter may be heard by the judge presiding over this civil session of Wake County Superior Court. (Courtroom W-C)

Hon. Michael J. O'Foghludha

Superior Court Judge